Finance's great empire was crumbling, its laws disregarded, it territory contracting, its weapons unavailing to put down insurrection; in London, still strong enough to keep Cabinet Minister meekly waiting in a garden, but faced with open defiance ii remoter places where the circumstances for engineering stock exchange panics and flights to and from currencies, no mor existed. Loans were still pumped out from France, money transfusions to revivify sickly alliances; England still coul reckon on invisible exports, cash returns on Imperial and foreig- investments, to rectify an ostensibly adverse trade balance; but the money transfusions were losing their effectiveness, and the cash returns becoming difficult to collect. Cobbett despised 'the idea of paying bits of paper by bits of paper';[16] the elaboration and inflation of credit, beginning in his time and subsequently reaching proportions then undreamt of, filled him. with appre- hension; and he prophesied wrath to come when what was thought of as wealth—certificates, figures entered in ledgers, turned out to be illusory, nothing.

Inevitably, the financier was discredited along with his occupation, especially in the United States, where ruined financiers and speculators fell like autumn leaves from upstairs windows, and a searching investigation was conducted into the activities of famous private banking houses like J. P. Morgan and Company and Kuhn Loeb and Company, a number of facts not calculated to increase the public esteem in which their principals were held, being made public. Jokes at the expense of

[16] 'When the foreign loans first began to go on, Peter McCulloch and all the Scotch were cock o' whoop. They said that there were prodigious advantages in lending money to South America, that the interest would come home to enrich us; that the amount of the loans would go out chiefly in English manufactures; that the commercial gains would be enormous; and. that this country would thus he made rich, and powerful, and happy, by employing in this way its "surplus capital", and thereby contributing at the same time to the uprooting of despotism and superstition, and the establishing of freedom and liberality in their stead. Unhappy and purblind, I could not for the life of me see the matter in this light. My perverted optics could perceive no *surplus capital* in bundles of bank-notes.'